



## Department of Energy

Bonneville Power Administration  
P.O. Box 491  
Vancouver, Washington 98666-0491

TRANSMISSION BUSINESS LINE

November 4, 2002

In reply refer to: TMC

Re: 2004 Transmission Rate Case Settlement Agreement

The Bonneville Power Administration Transmission Business Line (TBL) has attached to this e-mail the proposed TBL Rate Case Settlement Agreement for signature. We are sending this e-mail to the TBL's transmission customers and parties to the 2004 Transmission Rate Case. Because we are sending it to both individual customers and umbrella organizations, you may receive two e-mails.

Under the Settlement Agreement, the TBL commits to proposing in the 2004 Transmission Rate case the Initial Proposal that is reflected in the agreement. In turn, entities that sign the Settlement Agreement agree not to challenge the Initial Proposal in the rate case, and not to challenge the final rates established by the Administrator if they are consistent with the Initial Proposal. The Settlement Agreement includes other related terms as well and we encourage you to review it carefully. The Settlement Agreement represents the agreement reached between the TBL and those parties that chose to participate in the negotiation process.

The TBL will decide whether to proceed with the Initial Proposal outlined in the Settlement Agreement based on the executed agreements it has received by close of business (COB) on Tuesday, November 12, 2002. If the TBL concludes that there is sufficient consensus supporting the Settlement Agreement, the TBL will execute the Settlement Agreement and proceed with the Initial Proposal outlined in the agreement. Therefore, if you intend to become a party to the 2004 Transmission Rate Case and you support the terms of the Settlement Agreement, we ask that you return an executed Settlement Agreement by COB Tuesday, November 12, 2002. If you do not intend to become a party to the rate case you need take no action.

You may fax only an executed signature page of the agreement by COB Tuesday, November 12, 2002, naming the party on whose behalf you are executing the Settlement Agreement. However, you must then promptly mail the entire signed Settlement Agreement to:

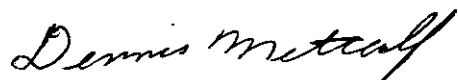
Tom Mayer  
LT-7  
Bonneville Power Administration  
P. O. Box 3621  
Portland, OR 97208-3621

If you choose to initially fax only the signature page, please send it to the attention of Tom Mayer at fax number (503) 230-7405.

If you are signing the Settlement Agreement on behalf of more than one entity or as an umbrella organization, please name all those you are representing on the signature page.

Any questions may be directed to your transmission account executive.

Sincerely,

A handwritten signature in black ink that reads "Dennis Metcalf". The signature is written in a cursive style with a large, stylized 'D' and 'M'.

Dennis Metcalf  
Rate Case Manager